



Committee report

Committee	CABINET
Date	4 JUNE 2013
Title	CHILDREN'S SERVICES - STRATEGIC PARTNERSHIP WITH HAMPSHIRE COUNTY COUNCIL
Report of	LEADER OF THE COUNCIL CABINET MEMBER FOR CHILDREN'S SERVICES

EXECUTIVE SUMMARY

1. The report sets out the position on the draft Ministerial Direction received from the Department for Education in respect of the Isle of Wight Council's Children's Services and provides a progress report on the proposed strategic partnership with Hampshire County Council.
2. It also sets out the proposed decision making process and timetable for agreeing the final Partnership Agreement, along with the decision necessary in relation to the ICT system for children's services.
3. A report on the overall progress on the children's safeguarding improvement plan is another item on this agenda.

BACKGROUND

4. The Council's Children's Safeguarding function was inspected by Ofsted between 26 November and 5 December 2012. This inspection found that the overall effectiveness of the arrangements to protect children on the Isle of Wight was judged to be inadequate.
5. The findings of the inspection and the Council's immediate response were reported to the Cabinet at its meeting on 12 February 2013. Following this meeting it became clear from the Department for Education that a Ministerial determination would be made that would include not just children's safeguarding but education as well and would require the Council to enter into a strategic partnership with Hampshire County Council to deliver the necessary improvements.
6. One of the main thrusts of the partnership with Hampshire County Council, in helping the Isle of Wight Council to achieve the step change in improvement required is that their Director of Children's Services John Coughlan would also assume the role of Director of Children's Services for the Isle of Wight Council. This was initially considered, and agreed in principle, at the meeting of full council on 20 March (who considered a recommendation from the Employment Committee held on 11 March).

7. A progress report was made to the Children and Young People's Scrutiny Panel at its meeting on 7 March 2013 and John Coughlan and his Deputy Director (Children and Families) attended the meeting.
8. Hampshire County Council formally set out in a letter from their Chief Executive on 15 February 2013 their willingness to enter into a strategic partnership with the Isle of Wight Council. This was subsequently approved by Hampshire County Council's Executive Member for Children's Services on 25 March 2013.
9. Since that time officers of both Councils have been progressing the development of a formal partnership agreement through individual authority project boards and a joint operational board.

MINISTERIAL DIRECTION

10. The final draft Ministerial Direction was issued to the Leader of the Council and Cabinet Member on 16 May 2013. This is attached at Appendix A.
11. This clearly sets out the Secretary of State's view that the Council is failing to perform to an adequate standard its children's services functions. It also sets out the requirements in relation to the strategic partnership with Hampshire County Council.
12. The strategic partnership will be for a period of five years with a review after three years and will include the appointment of John Coughlan as Director of Children's Services. Hampshire County Council will deliver, on behalf of the Isle Of Wight Council all of its children's services functions.
13. Although technically the final draft Ministerial Direction and any comments need to be submitted by 31 May (i.e. before the meeting of the Cabinet) the draft has been developed in consultation with both authorities. Following discussion with the Leader and the Cabinet Member for Children's Services it has been agreed that no further comment to the proposed Ministerial Direction is required from the Council.
14. Meeting the requirements from the Ministerial Direction is an essential ingredient in developing the strategic partnership agreement. The agreement also has to be agreed by the Secretary of State for Education.

DEVELOPMENT OF THE STRATEGIC PARTNERSHIP

15. Each council has set up a project board to progress the work required to develop an effective partnership. There has been significant work undertaken between the operational officers of both councils in scoping what needs to be done, including the written agreement. This has included identifying exactly which services are to be included, how they will operate on the ground, the reporting arrangements, how the costs incurred by Hampshire will be calculated and met, and how the partnership will work in practice to support the services.
16. This work has then been reported to and considered by a joint operational board which includes the Hampshire County Council Director of Children's Services, his deputies on education and social care and the Isle of Wight Council's acting head of paid service and strategic director of community wellbeing and social care.

17. The joint operational board is developing the overall partnership agreement scope and content that will be proposed for agreement by members of both Councils.
18. As part of these arrangements there has been considerable liaison and cooperation between the two councils in respect of how current service delivery and the immediate improvements required are achieved in the transitional period before the partnership agreement comes into effect.
19. John Coughlan and his team have already actively engaged with Isle of Wight children's services managers, education and social care staff to prepare for the start of the partnership and to progress the necessary immediate improvements that are required now.
20. On the social care side, a number of interim appointments have been made by the Isle of Wight Council, the Children's Services Improvement Board has been established and an improvement plan is being developed. A report elsewhere on the agenda details the progress.
21. In respect of Education the draft Ministerial Direction identified the following specific weaknesses and concerns with regards to education and learning on the Island:-
 - that a disproportionate number of Local Authority maintained secondary schools on the Island are subject to intervention (i.e. require significant improvement or are in special measures)
 - attainment levels in primary and secondary schools are below national averages:
 - Secondary (Key Stage 4 – percentage achievement of 5 or more A*-C grades at GCSE including English and Maths) are 44.5% on Isle of Wight (National average is 59.4%)
 - Primary (Key Stage 2 – percentage achievement at level 4 or above in both English and Maths) - 75% on the island (National average 79%)
22. Work is currently underway to provide immediate support and services to address these concerns in the short term and to ensure that progress is made immediately during this academic year. This includes additional service capacity and resource to provide a range of support and challenge services to schools as appropriate and identified. In the longer term however, the partnership with Hampshire offers an opportunity to access a vast range of support services gives opportunities for all the schools on the Island to expand access to those services as well as to link with a broad range of outstanding learning and development experiences.
23. Prior to the Ofsted inspection the Council was in the process of procuring a new integrated children's system (ICS). This has now been stopped as the council will now use and be hosted by Hampshire County Council's solution. This is felt to be the most effective way of delivering the required electronic case management system, Appendix B sets out a summary of the proposed arrangements.
24. The detailed costs of phase 1 are still being worked through but will include capital costs of migrating the current ICS system to a HCC hosted arrangement and on-going revenue costs of running the system. The Isle of Wight Council would have incurred these types of costs in any event if we continued with replacing the system ourselves. It is likely initially, however, that there will be some additional costs. There is provision in the Capital Programme contingency to meet these capital costs and the on-going revenue costs can be met in 2013/14 from revenue provisions set aside as part of the 2012/13 outturn. The on-going revenue costs in 2014/15 will have to be met from the overall cost arrangements with

HCC. Capital provision has been made in the capital programme for phase II. The capital costs of both phases will be in the region of £500k - £700k and the on-going revenue costs in the region of £200k - £250k. These figures will continue to be refined over the coming weeks.

25. With regards to staffing issues, the only thing that is changing is their reporting arrangements (in that it will be to John Coughlan as the Director of Children's Services). This does not require formal consultation, however we are ensuring that staff are briefed, kept informed and have opportunity to raise any concerns/queries etc. Since the conception of the strategic partnership, there have been briefings undertaken by the senior management team in children's services, including discussions at various internal formal meetings with staff, management and unions. Hampshire colleagues will be attending a special meeting with unions in due course as part of the partnership developments. We are working with Hampshire to address what, if any, management arrangements may have an impact on "normal" working arrangements and we will be drafting a protocol document about what our requirements are for Hampshire to manage our staff.

DECISION MAKING PROCESS AND TIMESCALE

26. It is anticipated that the partnership will come into force as from 1 July 2013. To achieve this it will be necessary for the Isle of Wight Council's Cabinet (as entering into the agreement is an executive function) to formally agree the agreement. However full council will need to confirm the appointment of John Coughlan as the Isle of Wight Council's Director of Children's Services.
27. Given the significance and importance of this particular matter it is suggested that the Council consider a detailed report on the partnership agreement at its meeting on 19 June 2013 (when they will be asked to confirm John Coughlan's appointment) and that they be asked to make recommendations to the Cabinet who will take these into account when making their final decision at a special meeting to be held immediately after the conclusion of the Council meeting on 19 June 2013.
28. The Isle of Wight Council's Corporate Plan 2011-13 had already identified "keeping children safe" as one of its priorities and this is also reflected in one of the priorities of the Health and Wellbeing Strategy 2013-16, launched in April 2013.

CONSULTATION

29. This report has not been subject to formal consultation with either the community or partners but reflects advice being provided to the council by the Children's Improvement Board (on which partner agencies are represented) and the requirement of the Department for Education. As the partnership and improvement plan are developed consultation with staff, partner agencies and relevant stakeholders will be undertaken.

FINANCIAL / BUDGET IMPLICATIONS

30. The full details on the financial arrangements and their implications will be detailed in the report to the council and cabinet seeking final approval to the proposed agreement. A significant one-off investment has already been set aside and is being made in the employment of interim staff, setting up the Improvement Board, strengthening social work practice, educational improvement and in reviewing safeguarding cases. There will be additional costs in the preparation costs involved in the development of the partnership.

There will also be resource requirements in funding required improvements in Children's Services which will need to be addressed as part of the 2014/15 Budget Process.

31. For the electronic case management system the capital costs of both phases will be in the region of £500k - £700k and the on-going revenue costs in the region of £200k - £250k. These figures will continue to be refined over the coming weeks. Provision is available in the capital programme for the capital costs and the revenue costs will need to be managed within the overall costs of Children's services.

LEGAL IMPLICATIONS

32. Under the Children Act 2004 the local authority must make arrangements for ensuring that its functions are discharged having regard to the need to safeguard and to promote the welfare of children in its area.
33. There are a number of specific duties to organise and plan services and to safeguard and promote the welfare of children. These duties fall within the remit of the Director of Children's Services (DCS) under section 18 of the Children Act 2004. It is essential that the DCS, or senior managers reporting to the DCS, have relevant skills and experience in, and knowledge of, safeguarding and child protection, and that they provide high quality leadership in this area as part of the delivery of effective children's social care services as a whole.
34. S11 of the 2004 Children Act specifies that partner agencies have a duty to co-operate in promoting and securing the welfare of children and young people.
35. Safeguarding and promoting the welfare of children is defined in the Government Guidance Working Together to Safeguard Children (2013) as:
- (a) Protecting children from maltreatment;
 - (b) Preventing impairment of children's health or development;
 - (c) Ensuring that children are growing up in circumstances consistent with the provision of safe and effective care; and
 - (d) Taking action to enable all children to have the best outcomes.
36. Specific duties arising out of the Children Act 1989 include:
- (a) to safeguard and promote the welfare of children within their area who are in need; and
 - (b) so far as is consistent with that duty, to promote the upbringing of such children by their families by providing a range and level of services appropriate to those children's needs.
37. The local authority also has duties under the Children Act 1989 to provide accommodation for any child in need within their area who appears to require accommodation of them and further duties towards children that are being looked after by them.
38. The local authority is the lead agency and is responsible for ensuring children in need of protection receive the required services. It also has to identify the need to strengthen earlier intervention to address problems occurring in children's lives.

39. The local authority also has a statutory responsibility for ensuring the Isle of Wight Local Safeguarding Children Board is in place (Children Act 2004) and that it is fulfilling its roles and responsibilities as laid down in Working Together 2010 (Chapter 3)
40. A service deemed to be 'inadequate' by Ofsted fails to meet the statutory duties as defined above.
41. The precise legal implications regarding the strategic partnership arrangements with HCC will be set out in the detailed report which will be presented to the Cabinet and Full Council later in June.
42. The anticipated value of the original proposed replacement by the Isle of Wight Council (before the partnership with Hampshire was developed) of the ICS required its procurement to be carried out in accordance with the Public Contracts Regulations 2006 (as amended). The tendering process had concluded but, the contract had not been awarded finally. The tenderers have been advised, in accordance with Regulation 32(11) of the 2006 Regulations that the Local Authority has decided to abandon the contract award in respect of which a contract notice has been published in relation to the award of the contract for the replacement ICS.

EQUALITY AND DIVERSITY

43. Whilst a full equality impact assessment will be undertaken for the detailed report on the partnership each of the actions listed in paragraph 22 have had an equality impact assessment and this has identified that children within protected characteristics (such as age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex and sexual orientation) will be better supported by the actions.

OPTIONS

44. The options are:
 - (a) To note the contents of this report.
 - (b) To agree that council be asked to consider the detail of the proposed strategic partnership agreement with Hampshire at its meeting in 19 June and to make recommendations to a special cabinet meeting to be held soon thereafter (or immediately thereafter).
 - (c) To agree the arrangements to secure an electronic case management system through Hampshire County Council as set out in Appendix B and the overall maximum guideline costs indicated.
 - (d) That the views of the full council on the details of the proposed strategic partnership agreement are not sought and it only deals with the appointment of John Coughlan as Director of Children's Services for the Isle of Wight.

RISK MANAGEMENT

45. A risk register has been prepared for the proposed strategic partnership agreement.

46. Although technically the decision to enter into the strategic partnership is a matter for Cabinet, by seeking the views of the full Council before it considers its decision will reduce the risk of Cabinet not acting within the overall policy of the full Council.

EVALUATION

47. The proposed partnership is one of the major strategic issues for the council and although the decision is a matter for the cabinet (as an executive function) it is considered of such significance that the views, at least, of the full Council should be obtained before the Cabinet makes its decision.
48. The proposed solution for an electronic case management system for children's social care through Hampshire County Council is felt to be the only practical solution in view of the partnership arrangements that are being developed. It is also felt to be the most cost effective.

RECOMMENDATION

49. The recommendations are:
- (a) To note the contents of this report
 - (b) To agree that council be asked to consider the detail of the proposed strategic partnership agreement with Hampshire at its meeting in 19 June and to make recommendations to a special cabinet meeting to be held soon thereafter (or immediately thereafter).
 - (c) To agree the arrangements to secure an electronic case management system through Hampshire County Council as set out in Appendix B and the overall maximum guideline costs indicated.

APPENDICES ATTACHED

50. [APPENDIX A](#) – Draft Direction notice from the Department for Education
51. [APPENDIX B](#) – Summary of proposed solution in achieving an effective electronic case management system for children's social care.

BACKGROUND PAPERS

52. None

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